

**PREPARED DIRECT TESTIMONY
OF
GLENN L. DAVIDSON
ON BEHALF OF
CENTRAL ILLINOIS LIGHT COMPANY
DOCKET NO. 00-0579**

ILLINOIS
COMMERCE COMMISSION

OCT 5 11 17 AM '00

CHIEF CLERK'S OFFICE

1 Q1. Please state your name and business address.

2 A1. My name is Glenn L. Davidson, and my business address is 300 Liberty Street,
3 Peoria, Illinois 61602.

4 Q2. By whom are you employed and in what capacity?

5 A2. I am employed by Central Illinois Light Company (CILCO) as an accountant in
6 the Sales and Marketing Business Unit.

7 Q3. Please describe your educational background and work experience.

8 A3. I was graduated from the University of Illinois in 1977 with a Bachelor of Science
9 degree in Accounting. In 1979, I was employed by the Federal Energy
10 Regulatory Commission where I worked as a field auditor in the Office of the
11 Chief Accountant. I am a Certified Public Accountant. I joined CILCO in
12 November 1989 and worked in General Accounting in the Accounting
13 Department. In December 1991, CILCO established the Energy Accounting Unit
14 in the Accounting Department and I became the supervisor of that unit until it was
15 dissolved in late 1999. At that time to the present, I am an accountant for the Sales
16 and Marketing Business Unit.

17 Q4. What are your responsibilities in your present position with CILCO?

18 A4. I am responsible for the preparation and maintenance of financial accounting
19 records of the Sales and Marketing Business Unit of CILCO. This includes the
20 collection of data related to fuel, purchase and interchange power, natural gas
21 purchases, coal tar, EPA allowances, steam billings and the entry of the data in the
22 books and records of the Company. Those records are maintained in the usual

course of business of the Company in accordance with the rules and regulations of the Illinois Commerce Commission, the Federal Energy Regulatory Commission, and the Company's own rules.

Q5. What is the purpose of your testimony in this proceeding?

A5. On July 31, 2000 CILCO filed with the Illinois Commerce Commission a proposal to eliminate its electric fuel adjustment clause pursuant to Section 9-220(d) of the Public Utility Act (220 ILCS 5/9-220(d)). As required by Section 9-220(d), information showing both a twelve-month historical period and the twelve-month projected period that CILCO used as the basis of its filing was submitted to the ICC. The purpose of my testimony is to present the twelve-month historical period information.

Q6. Have schedules been prepared to which you will be referring in your testimony?

A6. Yes. I will sponsor CILCO Exhibit 1.1.

Q7. Was notice of the filing of testimony and schedules in this proceeding published in newspapers of general circulation in CILCO's service territory in accordance with the requirements of 83 Ill. Adm. Code 255 (formerly General Order 157) for giving notice of filing a request for a general rate increase?

A7. Yes. The notices were published in the Peoria Journal Star, the Pekin Daily Times, the State Journal-Register in Springfield, the Pantagraph in Bloomington the Herald & Review in Decatur, the Courier in Lincoln, the News-Gazette in Champaign, and the Commercial-News in Danville. In combination, these newspapers are circulated generally throughout CILCO's service area. Copies of these notices and the certificates of publication are contained in CILCO Exhibit 1.2. Notice of the filing of testimony and schedules has also been posted in the business offices of the Company

Q8. Please describe the contents of CILCO Exhibit 1.1.

49 A8. CILCO Exhibit 1.1 is made of 4 schedules. The first three schedules summarize
 50 the information contained in CILCO's ICC monthly FAC filings' Schedule 4,
 51 Actual Over/Under Recovery of Fuel Costs During the 2nd Prior Month, and
 52 Schedule 5, Actual Allowable Energy Costs Incurred During the 2nd Prior Month.
 53 The fourth schedule calculates the average actual FAC factor for the historical
 54 twelve-month period.

55 Schedule 1 summarizes the monthly actual allowable energy costs and the FAC
 56 applicable to kwhs in the first two lines. The third line shows the cost per kwh
 57 and the fourth line is the base rate cost of fuel. The fifth and final line is the
 58 difference between line three and four or the actual FAC factor for each month.

59 Schedule 2 summarizes the various components that make up the allowable
 60 energy costs from the monthly FAC filings' Schedule 5 and tie to the amount
 61 reported in CILCO Exhibit 1.1.

62 Schedule 3 is a further breakdown of line items included in CILCO Exhibit 1.1,
 63 showing the units of measure, cost per unit and/or allowable cost.

64 Schedule 4 shows the 12-month average historical FAC factor.

65 Q9. Does this conclude your prepared direct testimony?

66 A9. Yes, it does.